(b) if so, the details of the same, decisions taken in the meeting and status of implementation of the decisions?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) Yes, Sir.

(b) No decision with regard to sale was reached in the said meeting.

National Pharmaceutical Authority

1841. DR. M.A.M. RAMASWAMY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to set up a National Pharmaceutical Authority and merge the existing NPPA with this proposed Authority as has been recommended by a high powered committee;

(b) if so, the details thereof; and

(c) the time by which this Authority would be set up?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) to (c) A Task force under the Chairmanship of Dr.Pronab Sen, Principal Adviser, Planning Commission was constituted to explore options other than price control to make available life saving drugs at reasonable prices. The Task Force has submitted its report to the Government on the 20th September, 2005. The Task Force has recommended, *inter alia*, to establish a National Authority on Drugs and Therapeutics (NADT). The proposed NADT would integrate the officers of the Drugs Controller General of India, the Central Drugs Standard Control Organisation (CDSCO) and the National Phamaceutical Pricing Authority (NPPA), along with all the powers and functions of these bodies.

The Government in consultation with various stakeholders is examining the recommendations of the Task Force. Based on this a view would be taken regarding the setting up of the National Authority on Drugs and Therapeutics.

Profit margin on Generic Medicines to retailers

1842. SHRI DARA SINGH CHAUHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are aware that pharma companies are giving huge margins to the extent of 2000 per cent to retailers on their generic medicines; and

(b) what steps have been taken by Government to stop this practice and save the poor patients?

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN): (a) Prices of Scheduled drugs and formulations based thereon are fixed by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of para 7 of the Drugs (Prices Control) Order, 1995 (DPCO,95). A price of a Scheduled formulation is fixed by allowing Maximum Allowable Post Manufacturing Expenses (MAPE) @ of 100% on ex-factory cost for indigenously manufactured Scheduled formulations and upto 50% of the landed cost for imported Scheduled formulations. The trade margin to retailers in respect of Scheduled formulations is fixed at 16%.

Prices of non-Scheduled medicines are fixed by the manufactures themselves keeping in view various factors like cost of production, marketing/ selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

The Goverment/National Pharmaceutical Pricing Authority (NPPA) regularly monitors the movement of prices of medicines of mass consumption marketed through trade channel and intervenes whenever instances of unreasonable increase in prices affecting public interest adversely are noticed.

The National Pharmaceutical Pricing Authority (NPPA) has collected data on trade margin being offered by the manufacturers to the retailers for a limited sample. It was noted that some manufacturers had offered high margin to the retailers. However, the market share of such medicines was small.

(b) A Committee under the Chairmanship of Joint Secretary (PI) was constituted to examine the span of price control (including trade margin) in the light of National Common Minimum Programme and the observations of the Supreme Court in SLP NO (C) 3668/2003 and to suggest measures for fulfilling the objective of National Common Minimum Programme to ensure the availability of life saving drugs at reasonable prices. This Committee has submitted its interim report to the Government. Subsequently, a Task Force under the Chairmanship of Dr. Pronab Sen, Principal Adviser, Planning Commission was constituted to explore options other price control to make available life saving drugs at reasonable prices. During its meetings, the Task Force deliberated upon almost all the recommendations made in its Interim Report by the Committee under the Chairmanship of Joint Secretary. The Task Force has submitted its report to the Goverment on the 20th September, 2005.

The Drug Policy, as amended from time to time, is directed towards ensuring abundant availability of quality drugs at reasonable prices. The

Government is consultation with various stakeholders is examinig the recommedations of the Task Force. Based on this a new Pharmaceutical Policy is likely to be announced shortly.

FCI Depots

†1843. SHRIMATI KUM KUM RAI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) The number of base depots of FCI for the distribution of foodgrains under the PDS, State-wise;

(b) whether these depots are sufficient for fulfilling the requirements of the States, particularly of Bihar;

(c) whether Government propose to open more depots in Bihar; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) As on 30th September, 2005 the Food Corporation of India (FCI) had a total of 1451 godowns (owned/hired/covered/CAP) with a total storage capacity of 247.74 lakh MTs. The State-wise details are given in the enclosed statement (*See* below).

(b) to (d) Yes, Sir. However, in Bihar State, the six godowns are under construction by Central Warehousing Corporation (CWC)/ State Warehoushing Corporation under Seven Years Guarantee Scheme. The details are as under:—

Name of the Place	Constructing Agency	Capacity
Siwan	CWC	5000MTs
Supaul	CWC	5000MTs
Teghra	CWC	2500MTs
Bhagalpur	SWC	3000MTs
Raxual	SWC	9000MTs
Sasaram	SWC	10000MTs

Further, two godowns from CWC and five godowns from SWC constructed under Seven Years Guarantee Scheme have been taken over by FCI. The details are as under:—

†Original notice of the question was received in Hindi.